

*Apr. 1 / Administration of George Bush, 1992*

kia also meets the emigration criteria contained in title IV of the Trade Act of 1974. These determinations allowed for the continuation of most favored nation (MFN) status for Hungary and Czechoslovakia without the requirement of an annual waiver.

As required by law, I am submitting an updated formal report to the Congress concerning emigration laws and policies of the Republic of Hungary and the Czech and Slovak Federal Republic. You will find that the report indicates continued Hungarian and Czechoslovak compliance with U.S. and international standards in the areas of emi-

gration and human rights policy.

The Administration is taking steps to exercise the authority provided me in section 2 of Public Law 102-182 to terminate the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary.

GEORGE BUSH

The White House,  
March 31, 1992.

*Note: This message was released by the Office of the Press Secretary on April 1.*

## The President's News Conference on Aid to the States of the Former Soviet Union

*April 1, 1992*

*The President.* I have a statement that is a little longer than the normal, but let me just say that I have just met with the congressional leadership to request their bipartisan backing for a new, comprehensive, and integrated program to support the struggle of freedom underway in Russia, Ukraine, and the other new States that have replaced the Soviet Union.

The revolution in these States is a defining moment in history with profound consequences for America's own national interests. The stakes are as high for us now as any that we have faced in this century. And our adversary for 45 years, the one nation that posed a worldwide threat to freedom and peace, is now seeking to join the community of democratic nations. A victory for democracy and freedom in the former U.S.S.R. creates the possibility of a new world of peace for our children and grandchildren. But if this democratic revolution is defeated, it could plunge us into a world more dangerous in some respects than the dark years of the cold war.

America must meet this challenge, joining with those who stood beside us in the battle against imperial communism: Germany, the United Kingdom, Japan, France, Canada, Italy, and other allies. Together we won the cold war, and today we must win the peace.

This effort will require new resources from the industrial democracies, but nothing like the price we would pay if democracy and reform failed in Russia and Ukraine and Byelarus and Armenia and the States of Central Asia. It will require the commitment of a united America, strengthened by a consensus that transcends even the heated partisanship of a Presidential election campaign. And today I call upon Congress, Republicans and Democrats alike, and the American people to stand behind this united effort.

Our national effort must be part of a global effort. I've been in contact with Chancellor Kohl, Prime Minister Major, President Mitterrand, other key allies to discuss our plans and to assure them of the high priority I place on the success of this endeavor. To this end, I would like to announce today a plan to support democracy in the States of the former Soviet Union.

This is a complex set of issues which took months to sort out, working within the administration, working with our major allies and with the leaders of the new independent States of the former Soviet Union. A number of things had to come together to make sure we got it right.

Let me give you a little bit of the history.

I asked Secretary Baker to outline our fundamental approach in his December 12th speech at Princeton. I spoke again on the need to embrace Russia and the other new States of the former Soviet Union in my January 22d speech at the Washington conference to coordinate the humanitarian assistance. On February 1st, Boris Yeltsin and I discussed these issues at Camp David. And that same day, Secretary Brady met with Boris Yeltsin's key economic adviser, Yegor Gaydar, to discuss how we could support Russian reforms. A week later, Jim Baker followed up during his meeting with Kozyrev, Foreign Minister Kozyrev, and Boris Yeltsin in Moscow. And just yesterday, the IMF reached tentative agreement with Russia on its market reform program. After weeks of intensive consultations in the G-7, Chancellor Kohl, currently serving as Chairman of the G-7, has announced today G-7 support for an IMF program for Russia.

The program that I'm announcing today builds on this progress and includes three major components. First, the United States has been working with its Western allies and the international financial institutions on an unprecedented multilateral program to support reform in the newly independent States. The success of this program will depend upon their commitment to reform and their willingness to work with the international community.

Russia is exhibiting that commitment. And I'm announcing today that the U.S. is prepared to join in a substantial multilateral financial assistance package in support of Russia's reforms. We're working to develop, with our allies and the IMF, a \$6 billion currency stabilization fund to help maintain confidence in the Russian ruble. The U.S. will also join in a multilateral effort to marshal roughly \$18 billion in financial support in 1992 to assist Russian efforts to stabilize and restructure their economy. We've been working with the Russian Government for 3 months to help it develop an economic reform plan to permit the major industrialized countries to provide support. We will work to complete action on this approximately \$24 billion package by the end of April. And I pledge the full cooperation of the United States in this effort.

Secondly, the United States will also act to broaden its own capacity to extend assistance to the new States. I'm transmitting to Congress a comprehensive bill, the "FREEDOM Support Act," to mobilize the executive branch, the Congress, and indeed, our private sector around a comprehensive and integrated package of support for the new States. Now, this package will:

Authorize a U.S. quota increase of \$12 billion for the IMF, which is critical to supporting Russia and the other new States. The IMF and World Bank will be the primary source of funding for the major financial assistance needs of the new governments. The U.S. quota increase for the IMF was specifically assumed in the budget agreement and does not require a budget outlay;

Support my existing authority to work with the G-7 and the IMF to put together the stabilization program for Russia and support possible subsequent programs for other States of the former Soviet Union as they embarked on landmark reforms, including up to \$3 billion for stabilization funds.

It would also repeal restrictive cold war legislation so that American business can compete on an even footing in these new markets. And I'm determined that American business be given the chance to invest and trade with the new States. And to that end, I've also directed that the United States negotiate trade and bilateral investment and tax treaties with these countries just as soon as possible. Significant new trade relationships can create jobs right here in this country.

The package will broaden the use of \$500 million appropriated by Congress last year to encompass not only the safe dismantling and destruction of nuclear weapons but also the broader goals of nuclear plant safety, demilitarization, and defense conversion.

It will also establish a major people-to-people program between the United States and the States of the former Soviet Union to create the type of lasting personal bonds among our peoples and Russian understanding of democratic institutions so critical to long-term peace. This effort will complement our existing programs to bring hundreds of businessmen to the United States

from the Commonwealth and then send hundreds of Peace Corps volunteers to the new States.

In sending this authorization legislation to Congress, I call upon the Congress to act concurrently to provide the appropriations necessary to make these authorizations a reality.

Third, in addition to the 3.75 billion already extended by the U.S. since January 1991, I'm announcing today 1.1 billion in new Commodity Credit Corporation credit guarantees for the purchase of American agricultural products. Six hundred million of that will go for U.S. sales to Russia and an additional 500 million for U.S. sales to the Ukraine and other States.

Now, let me close on a personal note. I think every day about the challenge of securing a peaceful future for the American people. And I believe very strongly that President Yeltsin's reform program holds the greatest hope for the future of the Russian people and for the security of the American people as we define a new relationship with that great country. President Yeltsin has taken some very courageous steps for democracy and free markets. And I am convinced that it is in our own national interest to support him strongly.

For more than 45 years, the highest responsibility of nine American Presidents, Democrats and Republicans, was to wage and win the cold war. It was my privilege to work with Ronald Reagan on these broad programs and now to lead the American people in winning the peace by embracing the people so recently freed from tyranny to welcome them into the community of democratic nations.

I know there are those who say we should pull back, concentrate our energies, our interests, and our resources on our pressing domestic problems. And they are very important. But I ask them to think of the consequences here at home of peace in the world. We've got to act now. And if we turn away, if we do not do what we can to help democracy succeed in the lands of the old Soviet Union, our failure to act will carry a far higher price. And if we face up to the challenge, matching the courage of President Yeltsin, of Ukrainian President Kravchuk, of Armenian President Ter-

Petrosyan, many other future generations of Americans will thank us for having had the foresight and the conviction to stand up for democracy and work for peace in this decade and into the next century.

That's the end of this statement. I'll be glad to take just a handful of questions, and then Jim Baker and Secretary Brady—I think Secretary Baker will go into more detail on the legislation, and Secretary Brady and others will be available. I think Ed Madigan will talk to you about the agricultural sect of it.

Terry [Terence Hunt, Associated Press]?

Q. Mr. President, you mentioned several figures in your statement. Overall, what's the cost of this to taxpayers, and where's the money going to come from?

*The President.* Most of it will come from the IFI's, from the international financial institutions. About a fifth of the total is assigned to the—about a fifth of it, 20 percent of it, is our share. And there's not a lot of new money. It's our feeling and the feeling of the partners that we ought to go use these international financial organizations who were set up to do this very job. Now, we have a significant commitment to these organizations. But that's the fact as to how this breaks out.

Q. Was there any kind of figure that you could provide? You say there's not much new money. What—

*The President.* I'll let Jim Baker give you the details on it, but yes, we can. There is some new money in it. There's some new credits in it, you know, agricultural credits. But let him give you the details on what's going to be in the bill. It's not a tremendous amount of money. Our commitment is very, very substantial.

Yes, Helen [Helen Thomas, United Press International].

Q. Mr. President, not in the either-or sense, you've acknowledged the pressing domestic problems. What are you going to do to help the American people, the financially strapped States, the decaying cities? Is there a post-cold-war Marshall plan for America in view of its problems? And why do we have to have 150,000 troops in Europe when the enemy has disappeared from the screen?

*The President.* We are working on programs that will help the cities, including trying to get through a significant block grant that would help, including a crime bill, including a brand-new revolutionary approach to education that, longer run, is terribly significant. And yes, it is very important we do these things.

But my point to the American people is we have a major stake in the success of democracy in Russia and in these other States. And the cost of risking doing nothing, the cost of doing nothing could be exorbitant, could far transcend the money that we have spent in the past. And I just don't want to risk that.

In terms of the troops, it is important that the United States stay involved in guaranteeing against any unforeseen action. We saw the need to be involved a year ago in Desert Storm. And if we had listened to the critics that would have suggested that we disarm and unilaterally pull back, we would be in terrible shape today. And we're not in terrible shape today. We have a vital stake in European security. Our allies and ourselves agree that the United States should remain there with troops, and we will stay there with troops.

*Q.* Mr. President, if the risks are so great, the stakes so high, why did you wait until 3 months into an election year to outline this program and begin the push for it, especially when, as you say, there's little new money involved?

*The President.* Because—we haven't waited. If you listen to what I said earlier, we spelled out our determination to do this in December. We have been working with our allies constructively to bring about agreement on this international financial institution approach. That was hammered out this weekend by Secretary Brady's people overseas. The formulation of the bill has just been completed. And we've just gotten agreement from—this morning I talked to Kravchuk and to Yeltsin, once again, both of them on this. I might say that they both sounded quite enthusiastic about it.

A lot of work has been going into it. And rather than kind of posturing out there, we wanted to have a sound program that will have strong international support. And that is exactly, thanks to the cooperation of the

allies, what we have. So this isn't any Johnny-come-lately thing, and this isn't driven by election year pressures. It's what's right for the United States.

And I must say, without committing anybody to anything, that the reception from the joint leadership seemed quite positive, Brit [Brit Hume, ABC News]. I was very pleased, but we'll let them speak for themselves, but most of them saying we should be doing this.

*Q.* Well, sir, whether you are posturing or not, have you not waited a while before beginning this sales pitch—

*The President.* I don't know that—

*Q.* —in the knowledge that you were going to have to do something along these lines?

*The President.* I said something about it in January. Jim Baker mentioned it in December. I've been talking about it. The question, though, is not a lot of political rhetoric; the question is getting something done that's positive. And when you're dealing with a whole bunch of allies and you're dealing with many new countries, you want to be sure that you do it in a sensible way. And the fact that it's coming out now is because we now have, with great cooperation from the allies, working with them, come up with this approach that we think makes sense. And it's not something that's new.

*Q.* Sir, the reason there is this skepticism is, back when Pat Buchanan was beating you about the head in New Hampshire, you weren't out there in New Hampshire, you weren't in New Hampshire saying, "We've got to help Boris Yeltsin. We've got to help Kravchuk." You weren't talking about that at all. You weren't preparing American public opinion. Today Bill Clinton's out there talking about his plan for Russia and the republics. That's why it looks a little weird.

*The President.* Well, that I've explained to you, John [John Cochran, NBC News], that there's a great deal of diplomacy. I remember when one of the people that used to sit proudly in this room accused me of not being emotional about Germany, about trying to get a reunited Germany when the wall came down. I said—what I was saying

to myself: Much less interested in emotion, much more interested in getting something positively done; use the power of the Presidency of the United States to see if you can't have that be accomplished in a very peaceful way.

And we have been doing the diplomacy that is necessary to come forward with a program that I hope will have the support of the American people, that I am proud to take to the American people, even though some people are going to be saying, "Well, you shouldn't be doing this in an election year." You've got to be, you know—along the lines of Helen's question, people will be suggesting that. But I'm going to fight for this because I believe in it.

Yeah, and then I'm getting out of here.

Q. Our recent poll showed that 55 percent of the public thinks that foreign aid should, in fact, be cut, and another 40 percent thinks that it shouldn't be increased at all. How are you going to persuade the public that this, in fact, is worthwhile when they look around and see roads deteriorating and schools in trouble and so forth?

*The President.* Simply make the case that to do nothing would be irresponsible, that the United States must continue to lead, and that we have an enormous stake, personal stake, for every American in the success of these democracies, and to risk their failure by doing nothing is very short-sighted. And so that's the case I'm going to make.

And I will also be saying we have a lot of blessings in this country, and one of them today is peace. Your kids and mine don't go to sleep at night as worried about nuclear weapons as some of the preceding generations here. And I want to be sure that I can certify to the American people I've done everything I can as President to see

that that continues, that democracies are strengthened, that freedom is on the march and continues to stay on the march. And this approach we're taking is the way to do what we can to guarantee that.

Q. Well, then to flip the question around a little bit, what do you say to those who are also going to say that this really isn't that much, that in fact Germany has already contributed \$45 billion to this effort, and that compared to what we could do we aren't doing enough, if so much in fact is at stake?

*The President.* I will say that I think it is enough and that it's what we ought to do right now and fight like heck for what we believe in here. And I think it is. And I must say I was very pleased with the response by President Yeltsin, the response by President Kravchuk this morning. And I would cite that as evidence of their enthusiasm for what we're doing.

But I guess you're right, some people will attack you for doing too much, and some for not doing enough. I think this is right. I believe Congress will give it the proper support. And I want the American people to support it because I know that it is in the best interest of world peace. And the failure of world peace has a staggering price tag on it that I don't want to even contemplate. So I'll continue to work for this.

Now, let me turn it over to Jim.

*Note: The President's 125th news conference began at 11:04 a.m. in the Briefing Room at the White House. Following the President's remarks, the news conference continued with Secretary of State James A. Baker III, Secretary of the Treasury Nicholas F. Brady, and Secretary of Agriculture Edward A. Madigan.*